

REMARKS**Amendments**

Independent claim 1 is currently amended to more clearly describe the claimed subject matter of the present invention and to substantially incorporate the subject matter of claims 2 and 4, which are canceled by this amendment. Claim 3 is amended solely to maintain proper claim dependency in light of the current claim amendments and cancelations. Claims 2 and 4 are canceled without prejudice or disclaimer. Applicants submit that these amendments are fully supported in the original specification, introduce no new matter into the case, and place the claims in condition for allowance.

Claims Rejections— 35 U.S.C. § 102

Claims 1–3 and 5–10 stand rejected under 35 U.S.C. § 102(e) as being anticipated by Katcher et al., U.S. Patent No. 7,120,924 (“*Katcher*”). A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference. *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987). As explained below, *Katcher* does not disclose each and every element and limitation recited in the claims of the present application and therefore cannot be said to anticipate the claims of the present application.

***Katcher* Does Not Disclose “the advertising data
encoded in a digital stream separate from a video signal
and synchronized with movement in a video display
displaying the video signal”**

As discussed above, claim 1 is presently amended to substantially include the limitations of now-canceled claims 2 and 4. The Office Action indicates the Examiner’s admission that *Katcher* does not teach “wherein the advertising data is encoded in a digital data stream separate from a video signal” Office Action, page 5. *Katcher* cannot anticipate claim 1, as amended, because claim 1 includes a limitation the Examiner

concedes is not disclosed by *Katcher*. Accordingly, Applicants respectfully request the Examiner to withdraw the rejection of claim 1 under 35 U.S.C. § 102. Applicants note that the substantive rejection of this claim limitation under 35 U.S.C. § 103 is traversed and discussed in detail below.

Claim Rejections—35 U.S.C. § 103

Claim 4 stands rejected for obviousness under 35 U.S.C. § 103(a) as being unpatentable over *Katcher* in view of Broadwin et al., U.S. Patent No. 5,929,850 (“*Broadwin*”).

Claims 11–14 stand rejected for obviousness under 35 U.S.C. § 103(a) as being unpatentable over *Katcher* in view of Wistendahl et al., U.S. Patent Application No. 20020056136 (“*Wistendahl*”).

The Office Action indicates, with reference to now-canceled claim 4, that “*Broadwin* teaches transmitting advertising data on a separate digital stream . . . on a digital network.” Office Action, page 5. Although claim 4 has been canceled, its subject matter is substantially incorporated into claim 1, as amended, and thus a substantive discussion of the rejection of the subject matter of claim 4 is appropriate here.

The Combination of *Katcher* and *Broadwin* Does Not Teach or Suggest “the advertising data encoded in a digital stream separate from a video signal and synchronized with movement in a video display displaying the video signal”

The Examiner cited, *inter alia*, the following passage as allegedly disclosing the limitation “wherein the advertising data is encoded in a digital data stream separate from a video signal,” which has been substantially incorporated into claim 1 by the present amendment:

In one embodiment, the interactive television system of the present invention further comprises a media server or web server which stores a plurality of still images which may be requested “on demand.” In this embodiment, the broadcast center utilizes one or more channels which are

reserved for user requests and thus provide still images "on demand." Thus, when the set top box receives user input indicating a request to receive additional still video images related to a certain video content, and these requested still images are not currently being broadcast on the still image channel, the set top box provides the request to the media server. The media server receives the request and provides the requested images to the broadcast center for transmission. The requested still video images related to the video content are then broadcast on the dedicated still image channel. The requesting set top box may then capture and display the requested images on the subscriber television. Alternatively, the requested images are provided directly from the media server to the set top box via the return channel.

Broadwin at col. 3, lines 24–42 (emphasis added); see also *Broadwin* at Fig. 10. That is, *Broadwin* discloses an embodiment wherein a media server provides, on a dedicated still image channel and at the request of a user, still images related to video content. As is further apparent from Figure 10 of *Broadwin*, also cited in the Office Action, and its accompanying descriptions, the still image data returned on the still image channel is not an encoded digital data stream at all, as it is provided by a media server separate from the video encoder/multiplexer and using a separate communication means.

By contrast, the advertising data of the present invention is encoded in a digital data stream broadcast simultaneously, but in a separate stream, from the video data. Further, the advertising data stream is synchronized with movement in a video display showing the video stream. This implementation is further described by paragraphs [0043] and [0044] of the original specification of the present application:

[0043] In typical embodiments of the present invention, such control instructions are synchronized with the appearance, removal, and locations changes of items displayed as video on the television display 114. When an item first appears in the video, therefore, associated advertising data includes an instruction to add to a list or table a data structure representing the item, identifying a screen region where the item is displayed, and noting that the item is presently displayed (and therefore available for designation and selection). When the item's screen location changes, its associated advertising data includes an instruction to update its data record with a new display screen region. When the item leaves the display, its associated advertising data includes an instruction to change its data record with an indication that the item is no longer on display (and

therefore is not available for designation or selection.)

[0044] Another way of delivering advertising data to the television is through a digital data stream from a server 120 through a digital data communications network 320 to a data communication client 102 in the television. The server 120 may be a TCP server, an HTTP server, or other kinds of server as will occur to those of skill in the art. The network 320 may be an internet or the web. The data communications client 102 may be a TCP/IP client, a browser, or another data communications client as will occur to those of skill in the art. In a fashion similar to that described above for the advertising data embedded in the video stream, **advertising data streamed as digital data, separate from the video, from a server 120 across a digital network 320 to a data communications client 102 also is synchronized with the movement in the video display**, on and off the screen and around the screen, of items having associated interactive non-intrusive advertising content.

Emphasis added. The still images of *Broadwin*, supplied by a media server at the demand of a user, are simply not analogous to the synchronized stream of advertising data claimed in the present application. Further, it would be impossible for the still images of *Broadwin* to be synchronized with movement in a video display because the still images are broadcast only at the demand of a user, **not** in response to movement in a video display.

For at least the reasons discussed above, *Broadwin* does not teach or suggest “the advertising data encoded in a digital stream separate from a video signal and synchronized with movement in a video display displaying the video signal,” as recited in claim 1, as amended. Further, the Office Action at page 5 states the Examiner’s admission that *Katcher* does not disclose the cited claim limitation. Because, as discussed above, the combination of *Katcher* and *Broadwin* does not teach or suggest every element of claim 1, no prima facie case of obviousness can be established and the combination of *Katcher* and *Broadwin* cannot support a rejection of claim 1 under 35 U.S.C. § 103.

Claims 11–14 depend from independent claim 1 and therefore include each and every element and limitation of claim 1. The addition of *Wistendahl* to the combination of *Katcher* and *Broadwin* cannot cure the defects of the combination of *Katcher* and *Broadwin* because *Wistendahl* also fails to teach or suggest “the advertising data encoded in a digital stream separate from a video signal and synchronized with movement in a video display displaying the video signal,” as recited in claim 1, as amended. Therefore, dependent claims 11–14 are patentable for the same reasons, discussed above, that claim 1 is patentable, as well as for their own limitations. Because the proposed combination of *Katcher*, *Broadwin*, and *Wistendahl* does not teach or suggest each and every element and limitation of claim 1 of the present application, the proposed combination cannot be used to establish a *prima facie* case of obviousness against dependent claims 11–14. Accordingly, Applicants respectfully request reconsideration of claims 11–14.

Relations Among Claims

Claims 3 and 5–14 depend from independent claim 1 and therefore also include all of the limitations of independent claim 1. Applicants respectfully submit regarding the dependent claims that, as discussed above, because the combination of *Katcher*, *Broadwin*, and *Wistendahl* does not teach or suggest each and every element of independent claim 1, the combination of *Katcher*, *Broadwin*, and *Wistendahl* also does not teach or suggest every element of the dependent claims of the present application. As such, claims 3 and 5–10 are also patentable and should be allowed.

Conclusion

Claims 1–14 stand rejected. Claims 2 and 4 have been canceled, rendering their rejections moot. As shown above, the art cited in the Office Action does not teach or suggest each and every element of independent claim 1. Accordingly, the remaining rejections of claims 3 and 5–14 should be withdrawn and those claims allowed. In accordance with the remarks above, Applicants respectfully request reconsideration of all

remaining claims in the application.

The Commissioner is hereby authorized to charge or credit Deposit Account No. 09-0447 for any fees required or overpaid.

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By:

Respectfully submitted,



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